

Triton Coal Company, LLC
P.O. Box 3027
Gillette, WY 82717

July 3, 2001

Minerals Management Service
ATTN: Information Collection Clearance Officer
OMB Control Number 1010-0120
Mail Stop 4230
1849 C Street, NW
Washington, D.C. 20240

Re: Comments on the Accuracy of the Burden Estimates in Proposed Solid Mineral Reporting Requirements

Dear Sir or Madam:

On June 5, 2001, the Department of Interior requested comments on their Minerals Management Service's ("MMS") proposed reporting requirements for solid minerals. (66 Fed. Reg. 30121) This letter provides Triton Coal Company, LLC's (Triton) comments on the accuracy of the burden estimates in the proposed rule. Triton holds federal coal leases in the State of Wyoming.

Triton supports the proposed Form MMS-4430 and the proposed Internet submission. The replacement of the current eight reporting forms by the Form MMS-4430 with its functionality capabilities simplifies the reporting of solid mineral royalties. Triton believes that the average reporting burden for completing Form MMS-4430 in the proposed rule is reasonable.

However, Triton has significant concerns that the average reporting burden estimates for submitting sales summaries and contracts and contract amendments contained in the proposed rule are greatly understated. (66 Fed. Reg. 30126 and 30129)

We are concerned because the proposed rule significantly changes the current rules regarding the submission of information to the MMS and goes well beyond the requirements of our leases with the Bureau of Land Management ("BLM"). The proposed rule is changing the current rule's "upon request" concept to "a required" concept, with the lessee responsible for determining the documents and other supplemental information that has to be provided without specific guidance or direction. Our lease agreements with the BLM only require Triton to provide "information and documents that are *reasonably necessary* to verify lessee compliance with the terms and conditions of the lease." Emphasis added.

Triton's concerns with the average reporting burden estimates contained in the proposed rule are discussed below.

SALES SUMMARIES

The proposed rule's estimate for the average reporting burden for sales summaries is 15 minutes per month. As discussed below, because the proposed rule is unclear regarding some of the sales

summary information to be submitted. Triton believes that the average reporting burden for sales summaries is understated.

CONTRACTS AND CONTRACT AMENDMENTS

The proposed rule's estimate for the average reporting burden for contracts and contract amendments is one hour per year or 15 minutes for each quarterly submission. As discussed below, Triton believes that the average reporting burden for contracts and contract amendments is significantly understated.

Proposed § 210.203(a) defines sales contracts to be "sales contracts, agreements, contract amendments, or other documents that affect gross proceeds received for the sale of all coal and other solid minerals produced from Federal and Indian leases with ad valorem terms."

Triton estimates that it will take between two and six hours per quarter for a lessee to submit contracts, agreements and contract amendments. The actual time required to submit the contracts, agreements and contract amendments varies due to the number of customers each lessee has. The entire customer file has to be examined each time a contract submission would be made to determine if any documents have been filed since a prior submission. In addition, an index would have to be maintained that documents the previously submitted contracts to the MMS in order to avoid duplicate document submissions and to identify documents in the file that need to be submitted.

Included in the definition of sales contracts in § 210.203(a) is the phrase "other documents that affect gross proceeds received for the sale of all coal and other solid minerals." Because the phrase "other documents that affect gross proceeds" is an all-encompassing definition, the lessee has the impossible burden of trying to determine what "other documents" must be submitted. In order to comply with the contract submission provision in the proposed rule, every document received from a third-party or worksheet created by the lessee to support the amount invoiced (i.e. train manifest with weights, individual shipment quality analysis), all supporting documentation and worksheets to a price escalation calculated pursuant to the terms of the contract and all correspondence with each customer will have to be reviewed by a knowledgeable individual within the lessee's organization to determine if the document has to be submitted to the MMS. Triton is unable at this time to make an estimate of the time that might be required to comply with this portion of the proposed rule each quarter.